

FIGHTING THE TAX-GATHERER.

The intimation that an effort is to be made by the and through them upon their policyholders, are confor all whether the taxes now imposed in such profusion by the Canadian provinces upon the companies, and through them upon their policyholders, and constitutional, is welcome news. It appears that there is strong reason to believe that these taxes are not direct taxes within the meaning of the British North America Act, and they will be appealed against on grounds of unconstitutionality to the Privy Council. It will be a great triumph for the insurance companies if by such a direct attack they are able to rout the politicians whose ideas of taxation, as put into practice, are to lay the heaviest burdens on thrifty folk and let the spendthrifts go free. If the highest legal tribunal in the British Empire takes the view that the provinces are acting illegally, beyond their powers, as well as unwisely, the battle against unfair taxation of life companies in Canada will be as good as won.

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The "if," however, is a big one, and meantime it behooves life insurance men to keep up the fight against these inequitable imposts on the supposition that what is unjust in equity and unwise in practice may be permissible in law. The basic fact to remember and to act upon in this matter, in the opinion of THE CHRONICLE, is that there is only one argument which the practical politician will listen to. That argument is votes. One might argue from now till Doomsday on the injustice of this tax, but the most telling array of facts that it would be possible to assemble against this tax would have as little effect on the practical politician as a fly on an elephant's back, unless it were backed up by votes. When a practical politician thinks he is going to lose votes, he begins to sit up and take notice—and not till then.

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In their corporate capacity life insurance companies have no votes—more's the pity. But their policyholders have thousands. And, therefore, in any campaign against these unjust taxes which is to be effective, the policyholder must be aroused. He must be shown exactly, if possible, how much of his insurance premiums goes to the politicians. He must be made to realise that the politicians are penalising him for his thrift, that they insist on stealing part—and a goodly part—of the provision which unselfishly and often at a considerable sacrifice of his own comforts he is making for those dependent on him. At present the policyholder doesn't know. He has no idea that in some of the Canadian provinces two or three dollars of every hundred dollars, which by the sweat of his brow the policyholder gathers together to pay his life insurance premiums with, is forthwith collared by the politicians. When he does know, there will be an end to this game of grab.

It is the business of life insurance companies, and of their officials and agents to let the policyholder know, and to control his action following knowledge, so that it can be made effective. Details of the necessary action can be safely left to insurance men to work out, if the prime fact be kept in mind that votes are the only argument which count with the politician.

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Taxation upon life insurance is a tax on thrift. To tax thrift in these troublous times is the act of a lunatic. If there is one thing obvious and clear among all the present confusion, it is that a prime duty of statesmen worthy of the name is to encourage thrift. Statesmanship can hardly be expected from politicians, but politicians can sometimes be forced into statesmanship, through the pressure of public opinion expressed in votes. If properly organised, and even if the life companies' present frontal attack fails, the provincial politicians can be driven by policyholders from their present attitude of active discouragement of thrift through life insurance to a passive if not an active encouragement of it.

PROGRESSING BACKWARDS.

The frantic efforts of our old friend, the Independent Order of Foresters, to assure its members that all is now for the best in the best of all possible worlds, seem hardly to be producing those results that its management might legitimately expect. The public is nothing like so responsive as it might be to the strident claims of a society "that exists for the home and home interests," whatever that sloppily sentimental phrase may mean. Here is the I.O.F.'s membership record for last year:—

	Number.	Amount.
Certificates in force, Dec. 31, 1912.	243,053	\$241,410,129
Certificates written during year . . .	24,237	18,124,810
Certificates re-instated during year . .	8,407	7,957,315
Certificates increased during year		198,698
Certificates terminated by death . . .	2,300	2,524,373
CERTIFICATES LAPSED	50,093	46,636,215
Other terminations	855	918,136
Certificates in force Dec. 31, 1913 . .	222,449	\$217,612,328

That is to say, after a year of frenzied effort on the part of the I.O.F.'s organisers to put a good face on things, the best they can do is to show a net loss in certificates of 21,000 in number and nearly \$24,000,000 in amount. This is progressing backwards with a vengeance!

What do the certificate holders still left in the boat think of a leakage like this?

CASUALTY COMPANY OF CANADA.

Under this title a new insurance company is being organised at Toronto, by Mr. Arthur L. Eastmure, who has been widely known in Canadian insurance circles many years. Substantial support for the new venture has been already secured.